



State of California  
**Employment Training Panel**

Training Proposal for:  
**Sweet People Apparel, Inc.**  
Agreement Type: **Small Business**  
Agreement Number: **ET09-0232**

Panel Meeting of: **October 17, 2008**

ETP Regional Office: **North Hollywood**

Analyst: E. Wadzinski

**CONTRACTOR:**

- Type of Industry: Services:  
Priority Industry: ☐ Yes ☒ No
- Contractor's # of Full-Time Employees:
  - California: 85
  - Worldwide: 85
  - Number to be trained: 58
- Turnover Rate: 10%
- Repeat Contractor: ☐ Yes ☒ No

**CONTRACT:**

- Training Project Profile: Retrainee
- ETP Funding Amount: \$74,008
- In Kind Contribution: \$77,460
- Average Cost per Trainee: \$1,276
- Post Retention Wage: \$14.02
- Health Benefits: \$1.52 per hour
- Occupations to be Trained: Accounting, Customer Service, Design, Marketing, Sales, Production, Owner
- Training Menu:
  - ☒ Computer ☐ Management
  - ☐ Commercial ☒ Business
  - ☒ Cont. Improvement ☒ Other: Manufacturing
- Range of Hours: 8-60 Weighted Avg: 58
- Multiple Job Numbers: ☐ Yes ☒ No

- County(ies) Served: Los Angeles
- Union Representation: ☐ Yes ☒ No
- Subcontractors: Fashion Business Institute, located in Los Angeles, will provide Computer Skills training for an amount not to exceed \$1,800.
- Third Party Services: Community Research and Associates, located in Whittier, assisted Sweet People in developing this proposal for \$1,025.

## **INTRODUCTION**

Sweet People Apparel, Inc. (Sweet People) designs several apparel lines for women, men and children. The designs are then sent overseas to be manufactured and imported back to California. The garments are finished (with decorations or accessories) at its corporate headquarters in Los Angeles and distributed to retailers and wholesalers. The company has three additional facilities, a design center, a showroom, and a wholesale store, all located in Los Angeles.

The contractor's representative indicates that Sweet People sells approximately 50% of its products outside of California and is eligible for retraining under the Out-of-State Competition Provisions outlined under Title 22, California Code of Regulations, Section 4416(d)(1,2).

In addition to Sweet People trainees, this proposal includes training for MEK Denim, Inc. (MEK Denim). MEK Denim also designs, finishes, and distributes clothing and is also eligible for retraining under the Out-of-State Competition Provision, with an estimated 50% of product sales outside of California. Although the two companies have different California Employer Account Numbers, they have owners in common, share the same administrative staff, and are housed in the same facility.

Although the primary focus of training is on its designers, due to the company's rapid growth, Business Skills, Continuous Improvement, Computer Skills and Manufacturing Skills training will be provided to its Customer Service, Sales, Marketing, Production and Accounting Staff, as well as the Owner.

## **RECOMMENDATION**

For the reasons stated above, staff recommends approval of this proposal. This training is for two closely affiliated employers. Sweet People will administer this contract for training delivered to its employees, along with the employees of MEK Denim.